

Approved For Release 2003/09/29 : CIA-RDP80R01731R003700070006-3

TOP SECRET

SECURITY INFORMATION

COPY NO. 12

NSC REVIEW
COMPLETED, 8/19/2003

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

August 11, 1952

TOP SECRET

WARNING

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE LAWS, TITLE 18, U. S. C., SECTION 793 AND 794, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW.

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

1. COMPLETED PROJECTS
(August 4, 1952 - August 11, 1952)

THE CURRENT SITUATION IN IRAN
(NSC Action No. 659)

UNITED STATES OBJECTIVES AND COURSES OF ACTION WITH RESPECT TO JAPAN

(NSC Action No. 660; NSC 125/2, NSC 125/1 and Annex to NSC 125/1; Memo for NSC from Executive Secretary, same subject, dated August 7, 1952; see also related project in Section 4)

EAST-WEST TRADE

(NSC Action No. 661; Progress Report, dated June 16, 1952, by the Secretary of Commerce on NSC 91/1, as amended by NSC 104/2)

NSC 86/1

(NSC Action No. 662; Progress Report, dated July 11, 1952, by the Director of Central Intelligence on NSC 86/1)

EVACUATION OF SELECTED KEY INDIGENOUS PERSONS FROM DANGER AREAS

(NSC Action No. 663; Progress Report, dated July 18, 1952, by the Director of Central Intelligence on NSC 123)

THE POSITION OF THE UNITED STATES WITH RESPECT TO TURKEY

(NSC Action No. 664; Progress Report, dated June 26, 1952, by the Acting Secretary of State on NSC 109)

2. PROJECTS UNDER CONSIDERATION BY THE NSC

- A. NEXT REGULARLY SCHEDULED COUNCIL MEETING:
(Memo for NSC from Executive Secretary, same subject,
dated August 11, 1952)

In the absence of any items ready this week for Council
action the meeting regularly scheduled for Wednesday,
August 13, was cancelled.

3. CURRENT NSC STAFF PROJECTS

A. SENIOR NSC STAFF

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY (NSC 135; NSC 68 Series; NSC 114 Series; NSC Action No. 575; Memos for Senior NSC Staff, from Executive Secretary, same subject, dated November 6, 1951 and March 11, 1952; Memos for Senior NSC Staff, from Executive Secretary, subject, "Reappraisal of United States Objectives and Strategy for National Security," dated June 25, July 7, 16, 18, 29, and August 1, 1952; Memos for Senior Staff from Executive Secretary, same subject, (Staff study) dated June 25 and July 31, 1952; Memos for Senior NSC Staff from Executive Secretary, same subject (Conclusions), dated July 29 and August 8, 1952; Memo for NSC from Executive Secretary, same subject, dated June 30, 1952)

The Council on October 17 (NSC Action No. 575-c), directed the Senior NSC Staff to submit for Council consideration at the earliest practicable date a reappraisal of the policies and programs set forth in the NSC 68 and 114 Series, including a revision of Part I of NSC 114/2 and in the light of: (1) Further analysis of Soviet atomic capabilities as indicated by the recent explosion of another atomic bomb in the USSR; and (2) the current evaluation of the net capability of the USSR to injure the continental United States (see Section 4). At its meeting on October 24, the Senior NSC Staff noted the statement by the Executive Secretary that the Senior State Member had agreed to prepare a draft of the political and foreign policy considerations to be included in the reappraisal of the NSC 68 and 114 Series; and that the Senior Defense, JCS and CIA Members would prepare a revision of the portions of Part I of NSC 114/2 relating to military capabilities, in the light of the two factors mentioned above.

At the request of the Director, Psychological Strategy Board, paragraphs on "Psychological Strategy in the Ensuing Years", prepared by the Staff of the PSB, were circulated by the reference memo of November 6 for the information of the Senior Staff, and were referred to the Senior State Member for consideration in connection with his preparation of the draft of the political and foreign policy considerations to be included in the reappraisal of the NSC 68 and 114 Series.

Outline of anticipated activity by the NSC over the balance of the calendar year with respect to U. S. objectives and programs for national security was transmitted by the reference memo of March 11 for the information of the Senior Staff. The Senior Staff at its meeting on March 13, agreed that the reappraisal of policies called for by NSC Action No. 575-c should be considered by the Senior Staff not later than April 1, and by the Council not later than April 16. A memorandum by the President

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY (Cont'd)

which sets forth his desires regarding the functions of the NSC in relationship to the determination of the programs and budget for FY 1954 has been circulated by the reference memo of June 30 for the information of the Council.

Draft statement of policy and draft staff study on "Reappraisal of United States Objectives and Strategy for National Security", prepared by a drafting team for the Steering Committee on this project, were transmitted by two memos of June 25 for consideration by the Senior Staff. At the request of the PSB Adviser to the Senior Staff, the views of the Director, PSB, with respect to this draft statement of policy and staff study were circulated by the reference memo of July 7 for the information of the Senior Staff in this connection. The draft report was considered by the Senior Staff at its meeting on July 8, and referred to the Staff Assistants for revision in the light of the discussion. Revised draft statement of policy transmitted by the reference memo of July 16 to the Senior Staff for consideration. By the reference memo of July 18 the views of the Director, PSB, on the July 16 draft report were circulated for the information of the Senior Staff. Further revision of the July 16 draft was prepared by the Staff Assistants and transmitted to the Senior Staff by the reference memo of July 29. On Thursday, July 31, the Senior Staff considered these drafts and tentatively agreed on a revision, transmitted by the reference memo of August 1. On Tuesday, August 5, the Senior Staff reviewed and amended the draft statement of policy dated August 1, and approved submission of the amended draft to the Council (to be issued as NSC 135/1.) Revision of the draft conclusions, dated July 29, prepared by the Staff Assistants pursuant to the direction of the Senior Staff on August 5, and transmitted by the reference memo of August 9. The revised draft conclusions are scheduled for consideration by the Senior Staff on Tuesday, August 12, together with a revision of the staff study to be incorporated in the annex in a manner agreed upon by the Senior Staff. Awaiting completion of the annex by the Senior Staff. (See also related projects above and below and in Section 4.)

CONDITIONS FOR A PEACEFUL SETTLEMENT WITH THE USSR

/PRIORITY PROJECT/

(Records of Senior NSC Staff Meetings February 23 and May 23, 1951; NSC 79; NSC 112; NSC Action No. 511; Memo for NSC from Executive Secretary, subject: "United States and Allied Objectives in the Event of Global War", dated September 6, 1950)

On February 23, 1951, the Senior NSC Staff agreed that the NSC 79 project on United States and allied war objectives

CURRENT NSC STAFF PROJECTS (Cont'd)

CONDITIONS FOR A PEACEFUL SETTLEMENT WITH THE USSR (Cont'd)

should be completed in two sections and that the Section on the above subject, including a plan for reduction and regulation of armaments and armed forces, should be completed as a matter of priority. On May 24, 1951, the Senior Staff agreed that the completion of this project would provide an important background for obtaining popular support for U. S. national security policies.

Report by the Secretaries of State and Defense in connection with the plan referred to above, adopted by the Council (NSC Action No. 511) and approved by the President as NSC 112. On July 10, the Senior NSC Staff noted that NSC 112 was the first step toward completion of this project and that further work would proceed in the light of Council action on NSC 112. Awaiting re-examination by the Senior State Member of this project and the one below, with a view to expediting their completion or proposing their cancellation.

UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF GLOBAL WAR

(NSC 79; Memo for NSC from Executive Secretary, same subject, dated September 6, 1950)

JCS memo (NSC 79) circulated for Council information and referred to the Staff for use in the preparation of a report. The Senior Staff designated an ad hoc group to draft a report to include both a statement of war objectives in the event of global war, and such related questions as a statement of the conditions that the U. S. would be willing to accept for a peaceful settlement with the USSR and its satellites. At the initial meeting of the ad hoc group under the chairmanship of the State Member on October 6, 1950, the form and content of a response to the problems posed by NSC 79 were discussed and agreed upon.

On February 23, 1951, the Senior Staff agreed that this project should be divided as follows: (1) a statement of U. S. and allied war objectives in the event of a global war; and (2) a statement of the conditions the U. S. would be willing to accept for a peaceful settlement with the USSR, including a plan for the reduction and regulation of armaments and armed forces. Awaiting re-examination by the Senior State Member of this project and the one above, with a view to expediting their completion or proposing their cancellation.

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES OBJECTIVES AND COURSES OF ACTION IN KOREA
(NSC 118/2; Memo for NSC from Executive Secretary, same subject, dated December 18, 1951; NIE-55; SE-20; SE-27; NSC Action No. 595)

The Council in adopting NSC 118/1 as amended (subsequently issued as NSC 118/2), referred the alternative versions of subparagraph 2-b-(6) to the Senior NSC Staff for review in the light of an analysis of the traffic in and out of Communist China and the probable effectiveness of an embargo or blockade (NSC Action No. 595-a-(4)). Awaiting preparation of a draft report by the Steering Committee on this project.

SECURITY OF STRATEGICALLY IMPORTANT INDUSTRIAL OPERATIONS IN FOREIGN COUNTRIES

(Progress Report, dated July 24, 1951 by the Department of State on NSC 29; NSC Action Nos. 531 and 610; Memos for Senior NSC Staff from Executive Secretary, same subject, dated April 21, and July 16, 1952)

By NSC Action No. 531 the Council referred the reference Progress Report to the Senior NSC Staff for recommendations regarding the desirability of a revision of the list of operations contained therein and the frequency of future progress reports by the Department of State. On September 27, in connection with a review of the NSC Status of Projects, the Senior Staff agreed that the State Department, with the assistance of a sub-committee composed of representatives from Defense, NSRB, ODM, and CIA, would assume responsibility for the preparation of a draft report pursuant to NSC Action No. 531. Memorandum from the Office of the Secretary of Defense dated October 2, 1951, which advised that recommendations by the Munitions Board for revision of the list of strategically important industrial operations would be submitted by December 15, 1951, was transmitted to the Senior State member of the NSC Staff for his information and use in connection with this project. The Senior Staff on March 13, in connection with a review of the Status of Projects, agreed that in view of the actions now under way, no further recommendations to the Council are needed and that the Senior State member should prepare for Senior Staff consideration, a draft memorandum to the Council reflecting this conclusion.

The Senior Staff at its meeting on April 24, considered the interim report on the subject prepared in State and transmitted by the reference memo, and deferred further action on the subject pending study by interested departments and agencies of a forthcoming report by a task group of the Special Interagency Committee on Foreign Sources of Critical Materials. Memo by the Senior State member transmitted by the reference memo of

TOP SECRET

SECURITY INFORMATION

CURRENT NSC STAFF PROJECTS (Cont'd)

SECURITY OF STRATEGICALLY IMPORTANT INDUSTRIAL OPERATIONS IN FOREIGN COUNTRIES (Cont'd)

July 16, for consideration at an early Senior Staff meeting. Awaiting study by the departments and agencies concerned as indicated above.

RELATIVE COST OF ENSURING AVAILABILITY OF CERTAIN MIDDLE EAST OIL FACILITIES OR OF OFFSETTING THEIR LOSS

(Record of meeting of Senior NSC Staff on November 27, 1951; NSC 97/2; NSC 129/1)

The Senior NSC Staff at its meeting on November 27, agreed that, in connection with but not necessarily as a part of the Mediterranean and Middle East project (see NSC 129/1 and project on Iran below), the Department of Defense should prepare a study of the cost of the military effort in terms of feasibility, time and material, and the forces required to ensure the continued availability of oil from the Bahrein-Qatar-Saudi Arabia area, and the Office of Defense Mobilization should prepare a study of the economic cost in terms of feasibility, time and material required to offset the loss of oil from that area. Preliminary studies by Defense and ODM have been received by the Steering Committee on this project. The Steering Committee on April 29 agreed that consideration of this project should be deferred pending receipt of the forthcoming report on the national petroleum program (see NSC 97 project below). Awaiting preparation of the report on the national petroleum program.

THE POSITION OF THE UNITED STATES WITH RESPECT TO IRAN
(NSC 117; NSC 107/2; NSC 129/1)

Memorandum from the Joint Chiefs of Staff on "The Anglo-Iranian Problem", was submitted to the Council at the request of the Secretary of Defense as NSC 117. At its meeting on November 20, the Senior Staff agreed that NSC 117 should be listed in the Status of Projects as a reference in connection with the project on the Eastern Mediterranean and Middle East, rather than as a separate item. Subsequently the subject of the latter project was changed from the "Eastern Mediterranean and the Middle East" to "The Area of the Arab States, Iran and Israel."

The Senior Staff at its meeting on March 6 in connection with a discussion of a draft report on "United States Objectives and Policies With Respect to the Area of the Arab States, Iran and Israel During the Period of the Cold War" agreed that this draft report should include the Arab States, Israel and the Middle East Command (adopted by the Council as NSC 129/1), but not Iran, which was to be covered by the forthcoming revision of

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)

THE POSITION OF THE UNITED STATES WITH RESPECT TO IRAN (Cont'd)

NSC 107/2. Awaiting preparation of a draft revision of NSC 107/2 by State. (See also related projects above and in Section 2.)

UNITED STATES POLICY TOWARD FORMOSA, THE CHINESE NATIONALIST GOVERNMENT AND OTHER ANTI-COMMUNIST CHINESE FORCES

(NSC Action No. 624; NSC 128; NSC 48/5; Memo for the Senior NSC Staff from Executive Secretary, same subject, dated April 24, 1952; SE-29)

The Council on April 2 (NSC Action No. 624): (a) discussed the reference report by the Acting Secretary of Defense on Formosa (NSC 128); and (b) directed the NSC Staff, after preliminary discussion by the Departments of State and Defense and CIA, to prepare a report for Council consideration in the light of a review of NSC 48/5, insofar as it pertains to United States policy toward Formosa, the Chinese Nationalist Government, and other anti-Communist Chinese forces and in the light of the views of the Joint Chiefs of Staff contained in NSC 128.

The Senior Staff at its meeting on April 29 discussed the subject on the basis of the reference memo of April 24 reporting the results of the preliminary discussions pursuant to NSC Action No. 624-b, and constituted the Steering Committee on NSC 128, consisting of the Senior State, Defense, MS, JCS and CIA members, to prepare for Senior Staff consideration a draft of the report called for by NSC Action No. 624-b in the light of the preliminary discussions. Awaiting preparation of a draft report by the Steering Committee on NSC 128.

A NATIONAL PETROLEUM PROGRAM

(NSC 97 and NSC 97/2; Memos for Senior NSC Staff from Executive Secretary, subject: "World-Wide Demand and Supply of Petroleum in Event of a Major War", dated August 3 and October 8, 1951 and February 27 and March 17, 1952; Record of Meeting of Senior NSC Staff of August 16, 1951; Memos for Senior NSC Staff from Executive Secretary, same subject, dated August 20 and October 24, 1951 and July 24, 1952; Memo for NSC from Executive Secretary, subject, "Security of Certain Middle East Areas", dated December 11, 1951; NSC Action No. 592)

At the direction of the President, a letter from the Acting Secretary of Defense on the subject (NSC 97) was referred to the Director of Defense Mobilization to develop a national petroleum program leading to the complete supply of allied requirements for consideration by the NSC. Interim report on the subject (NSC 97/1), prepared by the NSC Staff based largely on studies by ODM and PAD, was amended by the Council and submitted to the President on December 12 (NSC Action No. 592). The

CURRENT NSC STAFF PROJECTS (Cont'd)

A NATIONAL PETROLEUM PROGRAM (Cont'd)

President on December 13 approved the Interim Recommendations contained in NSC 97/1, as amended, and directed their implementation by all executive departments and agencies of the U. S. Government under the coordination of the Director of Defense Mobilization. Report as amended subsequently issued as NSC 97/2.

At the request of the Senior ODM Member a "Refining Supplement" to the basic report transmitted by the reference memo of August 3 and a report on "Petroleum Transportation in the United States" which also supplements this basic report have been transmitted by the reference memos of February 27 and March 17 for the information of the Senior Staff. Report by the Senior State Member on developments in foreign countries in connection with planning for petroleum allocations and rationing was circulated for Senior Staff information by the reference memo of July 24. Awaiting preparation of a revised report by the Petroleum Administration for Defense on world-wide demand and supply of petroleum in the event of a major war, to serve as the basis for a re-examination of NSC 97/2 by the Senior Staff.

4. OTHER CURRENT COUNCIL PROJECTS

STATUS OF UNITED STATES PROGRAMS FOR NATIONAL SECURITY AS OF JUNE 30, 1952

(NSC 135; NSC 114 Series; Memo for NSC from Executive Secretary, subject, "United States Objectives and Programs for National Security," dated June 30, 1952)

The President requested the departments and agencies responsible for the programs described in the NSC 114 Series to prepare for his information and for the NSC reports on the status of the programs as of June 30, 1952 in relation to approved objectives. Subsequently a memorandum by the President which sets forth his desires regarding the functions of the NSC in relationship to the determination of the programs and budget for FY 1954 was circulated by the reference memo of June 30, 1952 for the information of the Council.

No. 4, The Civil Defense Program, and No. 5, The Stockpiling Program, were circulated as the initial sections of NSC 135. Awaiting receipt of other reports, which will be circulated as additional parts of NSC 135 as they are received. (See also related project in Section 3-A)

UNITED STATES OBJECTIVES AND COURSES OF ACTION WITH RESPECT TO JAPAN

(NSC 125/2; NSC Action No. 660; Memo for NSC from Executive Secretary, same subject, dated August 7, 1952)

In connection with the President's approval of NSC 125/2 he directed that the general structure of a U. S. program to implement the courses of action enumerated in paragraph 7 thereof should, where suitable, be explored by the Department of State in consultation with the Departments of Defense and Commerce, the Office of the Director for Mutual Security, the Office of Defense Mobilization and other appropriate agencies, and that the main elements of such a program should be reported back to the Council at the earliest possible time. Awaiting report by the Secretary of State. (See related project in Section 1.)

IMPLICATIONS OF CONTINUED HOSTILITIES IN KOREA

(NSC 134; NSC 114 Series; Memo for NSC from Executive Secretary, subject, "United States Objectives and Programs for National Security", dated June 30, 1952)

At the request of the Secretary of Defense, his memorandum and its attachment on the subject were submitted for Council consideration as NSC 134. The Director, Bureau of the Budget, has been invited to participate with the Council, the Secretary of the Treasury and the Acting Director of Defense Mobilization in action on this report. Awaiting reconsideration by Defense prior to Council action thereon.

OTHER CURRENT COUNCIL PROJECTS (Cont'd)

ELIGIBILITY OF FOREIGN REPRESENTATIVES TO RECEIVE CLASSIFIED INFORMATION

(Memos for NSC from Executive Secretary, same subject, dated June 14, and November 19, 1951; NSC Action No. 507; Progress Report, dated December 20, 1951, by the NSC Representative on Internal Security on NSC 17/4 and 17/6)

Memorandum by the Chairman, Interdepartmental Committee on Internal Security (ICIS), and attached draft Presidential directive together with a report and proposed regulations on the subject, were transmitted by the reference memo of June 14 for consideration by the Council, the Secretary of the Treasury, the Attorney General, the Director of Defense Mobilization and the Chairman, Atomic Energy Commission. Approved by ODM, June 19; by Justice, June 21; by State, June 28; by Treasury, June 29; by NSRB, July 2; by AEC, July 9.

The Acting Secretary of Defense on July 2 recommended that the Council defer action on this memorandum until the Standing Group of the Nato has had an opportunity to examine the proposed regulations. On July 11 the NSC agreed that further consideration should be deferred, pending the outcome of the NATO negotiations, as recommended by the Acting Secretary of Defense (NSC Action No. 507).

Memorandum from the Office of the Secretary of Defense and its attached report on the present status of negotiations within NATO were circulated by the reference memo of November 19 for the information of the Council, the Secretary of the Treasury, the Attorney General, the Director of Defense Mobilization and the Chairman, Atomic Energy Commission. In accordance with the proposal by the Department of Defense in the first sentence of the memorandum, the draft Presidential directive and related papers on the subject, transmitted by the reference memo of June 14, were referred back to the ICIS for reconsideration in the light of this memorandum from the Department of Defense. Awaiting report by the ICIS.

A PROJECT TO PROVIDE A MORE ADEQUATE BASIS FOR PLANNING FOR THE SECURITY OF THE UNITED STATES

(Memos for NSC from Executive Secretary, same subject, dated June 5, July 17 and 30 and August 7, 1951; NSC Action Nos. 519 and 543)

Memorandum by the Chairman, Interdepartmental Committee on Internal Security, and its attached report by the ICIS on the subject, were transmitted by the reference memo of June 5 for Council consideration of the "Recommendations" contained in Part VII thereof and of the proposed National Security Council Directive. Prior to Council Action, at the direction of the President, the views of the Director of Central Intelligence were requested and transmitted by the reference memo of July 17 for consideration by the Council concurrently with the ICIS report. JCS views submitted by the reference memo of July 30.

OTHER CURRENT COUNCIL PROJECTS (Cont'd)

A PROJECT TO PROVIDE A MORE ADEQUATE BASIS FOR PLANNING FOR THE SECURITY OF THE UNITED STATES (Cont'd)

At its meeting on August 1 the Council agreed to the four steps proposed by the JCS in paragraph 3 of the reference memo of July 30, subject to the assignment of paragraph 3-b to the Interdepartmental Intelligence Conference. The Council also agreed that the resulting reports should be integrated into a single report to it under the coordination of the Director of Central Intelligence with the assistance of representatives of the appropriate departments and agencies. The Director of Central Intelligence undertook to prepare a directive along these lines for consideration by the Council.

Draft directive on the subject, prepared by the Director of Central Intelligence was approved by the Council, the Secretary of the Treasury, the Attorney General and the Director of Defense Mobilization (NSC Action No. 543). Awaiting report by the Director of Central Intelligence.

ORGANIZED EVACUATION OF CIVILIAN POPULATIONS IN CIVIL DEFENSE
(NSC Action No. 651; NSC 131 and NSC 131/1; Memo for NSC from Executive Secretary, same subject, dated June 9, 1952)

As requested by the Deputy Federal Civil Defense Administrator, a draft Policy Memorandum by the Federal Civil Defense Administration on the subject, was transmitted as NSC 131 for consideration by the NSC of the policy contained in paragraph III thereof. A revised version of the draft Policy Memorandum by FCDA, which incorporated changes accepted by the FCDA as a result of discussion in the Senior NSC Staff, including those changes contained in the reference memo, was transmitted to the Council as NSC 131/1. Supporting staff study prepared by the FCDA was also transmitted by the reference memo for Council information. The Council at its meeting on June 18, with the Federal Civil Defense Administrator participating, discussed NSC 131 and NSC 131/1 and deferred action thereon (NSC Action No. 651). Awaiting further study by the Federal Civil Defense Administration in the light of the discussion at the Council meeting.

EXAMINATION OF BAGGAGE OF INCOMING DIPLOMATIC PERSONNEL AND SHIPMENTS TO DIPLOMATIC MISSIONS IN THE U. S.
(NSC 133)

Report by the Interdepartmental Committee on Internal Security on the subject, together with its accompanying memorandum from the Chairman, ICIS, was submitted in accordance with the last paragraph of the memorandum for the consideration of the National Security Council, the Attorney General and the Chairman, Atomic Energy Commission as NSC 133. Council action temporarily deferred at the request of the Department of Defense.

TOP SECRET
SECRET INFORMATION

Approved For Release 2003/09/29 : CIA-RDP80R01731R003700070006-3

25X1

Approved For Release 2003/09/29 : CIA-RDP80R01731R003700070006-3